



Department of Justice

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**CO-OWNER OF NEW YORK PRINTING COMPANY
PLEADS GUILTY TO BID-RIGGING AND CONSPIRACY CHARGES**

WASHINGTON, D.C. -- The co-owner of a New York City printing brokerage company today pleaded guilty to conspiracy charges relating to two separate schemes to defraud clients of Grey Global Group Inc. (Grey), an advertising agency headquartered in Manhattan, the Department of Justice announced.

In U.S. District Court in Manhattan, John Chessa of Yorktown Heights, New York, a co-owner of a printing brokerage company located in Manhattan, pleaded guilty to participating, between approximately 1991 and mid-2000, in a scheme to fraudulently inflate invoices issued by his company to Grey, with the understanding that those inflated invoices would be passed on to Grey's clients for payment. Chessa also pleaded guilty to participating, from approximately November 1999 until December 2000, in a scheme in which he paid kickbacks to Joseph Panaccione, a.k.a. Joe Payne, the former vice president and manager of graphic services at Grey. Panaccione pleaded guilty to related conspiracy charges in U.S. District Court in Manhattan on October 1, 2002.

"This case once again demonstrates the Antitrust Division's commitment to seek out and prosecute anticompetitive practices and offenses associated with the advertising and graphics industries," said Charles A. James, Assistant Attorney General in charge of the Department's Antitrust Division.

The conspiracy charges, violations of 18 U.S.C. § 371, each carry a maximum penalty of five years imprisonment and a \$250,000 fine.

The maximum fine on each count may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine. In addition, the defendant upon conviction could be ordered to pay restitution to any victim for the full amount of that victim's loss.

These charges arose from an ongoing federal antitrust investigation of bid rigging, bribery, fraud, and tax-related offenses in the advertising, printing and graphics industries. The investigation is being conducted by the Antitrust Division's New York Field Office, with the assistance of the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation.

Anyone with information concerning bid rigging, bribery, tax offenses, or fraud in the advertising or printing industries should contact the New York Field Office of the Antitrust Division at (212) 264-3179 or the New York Division of the FBI at (212) 384-3252.

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